

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 4, 2008

ACTION REQUIRED

AGENDA ITEM NO. VIII.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Update on SCADA Migration Project Phase II - Project Authorization/Contract

DISCUSSION

The Chugach SCADA/EMS is a computer based control system, which provides for all monitoring and control of Chugach Transmission, Generation, and Distribution system assets. The existing system was installed in 1999 and is based on a product line that is no longer supported by the vendor. Phase I installed a backup control SCADA/EMS, jointly with ML&P.

Phase II of this project migrates the existing Chugach SCADA/EMS to a new system, which provides for regular vendor software updates and remains current with evolving cyber security standards

This is a joint procurement effort with ML&P, which is upgrading their SCADA/EMS as well. Chugach and ML&P have completed the vendor evaluation process and are in the process of developing a contract and statement of work for the upgrade replacement with the successful proposer, Open Systems International (OSI).

A motion for the BOD to recommend contract authorization in the amount of \$1,700,000 will be presented at the March 2008 Operations Committee meeting.

MOTION

Move that the Finance Committee recommend that the Board of Directors authorize project expenditures for the SCADA Migration Project Phase II with an estimated cost of \$ 2,341,347, with an estimated completion date of November 2009.

Chugach Project Authorization

Project Name: SCADA Master Station Migration Ph II

Project Category:

Safety	Incremental Load Growth	New Service	R&R SCADA	X
Agency Mandated	Reliability	Operating Efficiency	R&R Generation	

Accountabilities & Approvals

	Signatures	Date
Board of Directors: Alex Gimarc, Secretary	_____	__/__/__
CEO: Bradley Evans, Acting CEO	_____	__/__/__
Executive Sponsor: Paul Risse, Acting Sr VP Power Supply	_____	__/__/__
Project Manager: Paul Johnson, Manager, Control & Comm	_____	__/__/__

Purpose and Need:

The Chugach SCADA/EMS is a computer based control system, which provides for all monitoring and control of Chugach Transmission, Generation, and Distribution system assets. The existing system was installed in 1999 and is based on a product line that is no longer supported by the vendor. Phase I installed a backup control SCADA/EMS, jointly with ML&P.

Phase II of this project migrates the existing Chugach SCADA/EMS to a new system, which provides for regular vendor software updates and remains current with evolving cyber security standards

Project Description:

This is a joint procurement effort with ML&P, which is upgrading their SCADA/EMS, as well. Chugach and ML&P have completed the vendor evaluation process and are in the process of developing a contract and statement of work for the upgrade replacement with system vendor, Open Systems International (OSI).

Specification and vendor selection occurred in 2007. 2008 costs include contract services, labor, and travel for staging the system at the vendor’s factory for testing. 2009 costs include contract services, labor, and travel to support SCADA/EMS System testing, installation and cutover.

Approval Amount: \$ 2,341,347

Project in 2008/2012 CIP@ \$ 2,339,949 and 2008 Budget @ \$1,307,900

	labor	Contract	Travel	Mat'l	Other	Total
Budget	\$ 278,284	\$ 1,985,323	\$ 60,800	\$ 8,003	\$ 7,539	\$ 2,339,949
Forecast	\$ 303,891	\$ 1,963,598	\$ 60,815	\$ 5,503	\$ 7,539	\$ 2,341,347
Variance	\$ (25,607)	\$ 21,725	\$ (15)	\$ 2,500	\$ -	\$ (1,397)

Variance Discussion:

None

Chugach Project Authorization

Cash Flows

2007 \$ 218,533

2008 \$ 1,038,438

2009 \$ 1,084,376

Economic Analysis

This is capitalized maintenance.

Economic Analysis Summary


Replacement of capitalized equipment.

Current Project Status: **Percent Complete** 5 %

Finalizing Vendor Contract

Project Schedule: (see attached timeline)

See Attached

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1						
2						
3	 Contract Award	0 days	Wed 3/19/08	Wed 3/19/08		
4	Implementation	180 days	Thu 3/20/08	Wed 11/26/08		
5	Stage System at Factory	90 days	Thu 3/20/08	Wed 7/23/08		
6	Software Development	90 days	Thu 7/24/08	Wed 11/26/08	5	
7	Stage Development System Chugach	60 days	Thu 3/20/08	Wed 6/11/08		
8	Database/Display Conversion	60 days	Thu 6/12/08	Wed 9/3/08	7	
9						
10	Factory Testing	95 days	Thu 11/27/08	Wed 4/8/09		
11	Pre Factory Acceptance Testing	15 days	Thu 11/27/08	Wed 12/17/08	6	
12	Corrections	30 days	Thu 12/18/08	Wed 1/28/09	11	
13	Factory Acceptance Testing	50 days	Thu 1/29/09	Wed 4/8/09	12	
14	System Installation & Cutover	150 days	Thu 4/9/09	Wed 11/4/09		
15	Equipment Installation	50 days	Thu 4/9/09	Wed 6/17/09	13	
16	Site Acceptance Testing	40 days	Thu 6/18/09	Wed 8/12/09	15	
17	Cutover	60 days	Thu 8/13/09	Wed 11/4/09	16	